## **REMARKS**

Claims 1-4, 6-10, 12-14, and 17, all the claims pending in the application, stand rejected on prior art grounds. Claims 1-4 and 6 stand rejected under 35 U.S.C. §101. Applicants respectfully traverse these rejections based on the following discussion. The following paragraphs have been numbered for ease of future reference.

## I. The 35 U.S.C. §101 Rejection

[0001] Claims 1-4 and 6 stand rejected under 35 U.S.C. §101 because the claimed invention is directed to non-statutory subject matter. These rejections are traversed.

[0002] Claims 1 and 6 have been amended to recite the use a computer and thus define statutory subject matter under 35 U.S.C. § 101. In view of the foregoing, the Examiner is respectfully requested to reconsider and withdraw this rejection.

## II. The Prior Art Rejections

[0003] Claims 1-4, 6-7, 9-10, 12-14, and 17 stand rejected under 35 U.S.C. §102(e) as being anticipated by Preist, et al. (U.S. Publication No. 2002/0120588), hereinafter referred to as Preist. This rejection is respectfully rejected.

[0004] Preist merely describes a computer system for allowing negotiation between a plurality of entities, the computer system comprising a computer network having a plurality of computer nodes; a computer node being arranged to define the negotiation between the entities with a set of negotiation activities; wherein the computer node is operable to implement a plurality of negotiation rule sets, each rule set constraining the negotiation activities to a specific negotiation type, thereby allowing a plurality of negotiation types to be selected by an entity.

[0005] The 3/11/2009 Communication fails to address at the points raised in Applicants' prior Response. In particular, Applicants notes that the claims recite the multi-party trading mechanism as well as standalone bilateral negotiations. The integration of these claimed features is illustrated in for example, the Fig. 5 elements 503, 505, 507, 509, 511 and 513.

[0006] The 3/11/2009 Communication asserts that Priest para 62, describes the execution of a multi-party trading mechanism, and "where a negotiation host takes two or more negotiating

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parties are close to an agreement and helps them reach a final agreement." (3/11/2009 Communication, p. 3, ll. 12-14).

[0007] Applicants respectfully submit that Preist clearly states that "[t]hat allows us to model one-to-one negotiation as a particular case of many-to-many", (Preist, para 56). However, nothing in this portion supports the view that Preist facilitates the use of both multi-party trading and bilateral negotiations.

[0008] The 3/11/2009 Communication asserts Presit, para 62. However this porion of Preist clearly states that "[a]greements can potentially occur whenever two or more negotiating parties make compatible proposals. In this case, agreement formation is rules determine exactly which proposals are matched with each other, and the final instantiated agreement that will be used." (Preist, para 62, emphasis added.)

[0009] Preist further states that "Agreement rules may state, for example, that the highest priced offer to buy should be matched with the lowest priced offer to sell, and that the final agreement will take place at the average price." (Presit, para 62). Thus, it is clear that Preist fails to disclose the use of standalone bilateral negotiations as recited in the independent claims.

[0010] Claim 8 stands rejected under 35 U.S.C. §103(a) as being unpatentable over Preist, in view of Holden, et al. (U.S. Publication No. 20010032175), hereinafter referred to as Holden. Applicants respectfully traverse these rejections based on the following discussion.

[0011] However Holden merely describes a method and system for providing an on-line auction, which may be part of a larger on-line community, for conducting and facilitating transactions in a commodity goods marketplace or industry. An embodiment of the present invention provides a World Wide Web ("Web") based auction site for conducting and facilitating transactions in an industry. The auction-based model allows a supplier to sell or buy goo,ds closer to a real market price than the current method of offering the commodity via telephone, facsimile, or electronic mail (e-mail). The users receive automatic e-mails notifying them of the status of an auction. E-mails and on-line screens show time of day information in a user's local time zone. The end time of auction is automatically extended when there is activity close to the prescheduled end time. Both forward and reverse auctions are enabled.

[0012] Holden is not cited to, nor does it cure and of the deficiencies of the above-

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identified deficiencies of Preist. Thus, claim 8 defines patentable subject matter over the art of

record

[0013] The claimed invention, as provided in amended independent claims 1, 6, 7, 12 and

17 contain features, which are patentably distinguishable from the prior art references of record.

[0014] Moreover, the Applicants note that all claims are properly supported in the

specification and accompanying drawings, and no new matter is being added. In view of the

foregoing, the Examiner is respectfully requested to reconsider and withdraw the rejections.

III. Formal Matters and Conclusion

[0015] With respect to the rejections to the claims, the claims have been amended, above,

to overcome these rejections. In view of the foregoing, the Examiner is respectfully requested to

reconsider and withdraw the rejections to the claims.

[0016] In view of the foregoing, Applicants submit that claims 1-4, 6-10, 12-14, and 17,

all the claims presently pending in the application, are patentably distinct from the prior art of

record and are in condition for allowance. The Examiner is respectfully requested to pass the

above application to issue at the earliest possible time.

[0017] Should the Examiner find the application to be other than in condition for

allowance, the Examiner is requested to contact the undersigned at the local telephone number

listed below to discuss any other changes deemed necessary. Please charge any deficiencies and

credit any overpayments to Attorney's Deposit Account Number 09-0441.

Respectfully submitted,

Dated: May 6, 2009

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